

April 20, 2015

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Ave. N1058 (B)
Indianapolis, IN 46204

Dear Barry,

We have completed the 2015 ratio study for Vermillion County's annual adjustment. We used every sale that was deemed valid for the period January 1, 2013 – February 28, 2015 including multi-parcel sales and sales that were vacant at the time of sale but are now improved. The market in Vermillion County is static, the sales that are occurring, outside of family and forced sales, are not increasing but stable exhibiting more typical marketing times. No time adjustment was necessary for the 2013 sales due to the static nature of the market.

Residential Vacant and Improved

All the vacant residential parcels were grouped together countywide with only 6 sales validated. We reviewed land to building ratios by townships and neighborhoods revealing that the land was consistently within a median of 16%-22% of the overall assessment. New neighborhoods have been created for new subdivisions, row-type dwellings and mobile home parks and factors applied when necessary to bring the neighborhoods within IAAO standards. Foreclosed sales have been reviewed by neighborhood to determine if that was the normal market for the area.

For improved residential parcels, we concluded the following: Clinton Twp had an adequate number of sales and could stand on its own; Eugene Twp and Highland Twp were combined based upon location and similarity of economic characteristics; Helt Twp and Vermillion Twp were combined based upon location and similarity of economic factors.

Commercial and Industrial Vacant and Improved

Only one valid sale was available therefore we could not conduct a ratio study analysis this year. With a reasonable amount of sales, we would have trended the Commercial Industrial properties with a median of 1.09, but with only one sale and it being within IAAO guidelines for median assessment ratio analysis, we could not trend with confidence. It is our hope that future years will yield more sales. The extrapolation method and the land value to building value ratio were used to verify that the land was reasonable for the market.

Large Increase or Decreases by Taxing Jurisdiction and Property Class

001 Clinton Twp Vacant Commercial saw a decrease of **(12.8%)**: this was attributable to the demolition of improvements from parcel **83-13-10-231-027.000-002** and its reclassification to vacant.

004 Highland Twp Improved Industrial saw an increase of **10.2%** due to new construction on parcel **83-01-07-400-004.000-009**.

Summary

All residential neighborhoods were reviewed and trending factors were applied accordingly.

We have included an explanation of sales that were originally submitted as valid and later deemed invalid. In addition, we included an explanation of sales that were originally deemed invalid and later deemed valid.

If you have any questions, please contact me.

Respectfully,

Paige Kilgore
Vermillion County Assessor